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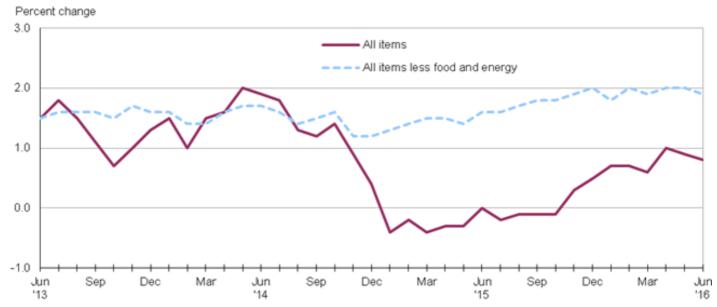
Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm, and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

# Consumer Price Index, Northeast Region – June 2016 Regional prices up 0.2 percent over the month and 0.8 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Northeast edged up 0.2 percent in June, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that the recent increase was due to a 2.3-percent rise in the energy index and a 0.1-percent advance in the all items less food and energy index. Partially offsetting the overall increase was a one-month decrease in the food index, down 0.1 percent. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the Northeast all items CPI-U increased 0.8 percent, due to a 1.9-percent advance in the all items less food and energy index. (See <u>chart 1</u> and <u>table A</u>.) The over-the-year increase was moderated by a 9.7-percent decline in the energy index. The food index was unchanged since June 2015. (See <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Northeast region, June 2013-June 2016



Source: U.S. Bureau of Labor Statistics.

#### Food

The food index inched down 0.1 percent since May. Prices for one of its two components, food at home, decreased 0.3 percent, while prices for the other, food away from home, increased 0.3 percent over the month.

From June 2015 to June 2016, the food index was unchanged. Prices for food at home decreased 1.9 percent over the year, while those for food away from home increased 2.6 percent.

## **Energy**

The energy index, which includes prices for household and transportation fuels, increased 2.3 percent since May, due mostly to a 3.1-percent rise in electricity prices and a 2.1-percent rise in gasoline prices. Utility (piped) gas service prices also rose over the month, up 0.3 percent.

The energy index fell 9.7 percent since June 2015, led by a 14.7-percent drop in gasoline prices. Prices for electricity and utility (piped) gas service also decreased over the year, down 3.5 and 1.1 percent, respectively.

## All items less food and energy

The index for all items less food and energy inched up 0.1 percent in June, led by higher prices for shelter (0.4 percent). Prices for medical care also increased, up 0.5 percent over the month. Nearly offsetting the increase in the all items less food and energy index was a 2.7-percent seasonal decrease in apparel prices, among others.

Over the year, the index for all items less food and energy increased 1.9 percent, led by higher prices for shelter (2.9 percent). Prices were also higher over the year for other categories including medical care (4.1 percent) and education and communication (2.0 percent).

Table A. Northeast region CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted

	2012 2013 2014		14	20	15	2016				
Month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January	0.4	2.9	0.3	1.8	0.6	1.5	-0.2	-0.4	0.0	0.7
February	0.4	2.8	0.6	2.0	0.1	1.0	0.2	-0.2	0.2	0.7
March	0.5	2.5	0.0	1.5	0.5	1.5	0.3	-0.4	0.2	0.6
April	0.3	2.3	-0.1	1.1	0.0	1.6	0.1	-0.3	0.6	1.0
May	-0.1	1.7	0.0	1.2	0.4	2.0	0.4	-0.3	0.3	0.9
June	-0.2	1.5	0.1	1.5	0.0	1.9	0.3	0.0	0.2	0.8
July	-0.1	1.1	0.2	1.8	0.1	1.8	-0.1	-0.2		
August	0.5	1.3	0.2	1.5	-0.3	1.3	-0.2	-0.1		
September	0.5	1.7	0.1	1.1	0.0	1.2	0.0	-0.1		
October	0.1	1.9	-0.4	0.7	-0.2	1.4	-0.2	-0.1		
November	-0.2	1.8	0.1	1.0	-0.4	0.9	0.0	0.3		
December	-0.3	1.8	0.0	1.3	-0.5	0.4	-0.4	0.5		

The Consumer Price Index for July 2016 is scheduled to be released Tuesday, August 16, 2016, at 8:30 a.m. (ET).

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at <a href="www.bls.gov/cpi">www.bls.gov/cpi</a> and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at <a href="www.bls.gov/opub/hom/pdf/homch17.pdf">www.bls.gov/opub/hom/pdf/homch17.pdf</a>.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The Northeast region is comprised of Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Northeast Region, (1982-84=100 unless otherwise noted) (not seasonally adjusted)

		Inde	exes	Percent change from			
Expenditure category	Historical data	Apr. 2016	May 2016	Jun. 2016	Jun. 2015	Apr. 2016	May 2016
All items		254.270	255.021	255.532	0.8	0.5	0.2
All items (December 1977 = 100)		400.397	401.581	402.384			
Food and beverages		253.098	251.988	251.811	0.0	-0.5	-0.1
Food		253.153	252.040	251.891	0.0	-0.5	-0.1
Food at home		247.349	245.302	244.570	-1.9	-1.1	-0.3
Food away from home		265.001	265.316	266.064	2.6	0.4	0.3
Alcoholic beverages		251.194	250.139	249.592	0.4	-0.6	-0.2
Housing		267.721	268.462	269.752	1.7	0.8	0.5
Shelter		331.180	332.503	333.809	2.9	0.8	0.4
Rent of primary residence (1)		332.609	333.497	333.885	2.9	0.4	0.1
Owners' equivalent rent of residences (1) (2)		342.984	343.877	345.267	2.8	0.7	0.4
Owners' equivalent rent of primary residence							
(1) (2)		342.709	343.604	344.991	2.8	0.7	0.4
Fuels and utilities		206.666	205.628	209.618	-3.6	1.4	1.9
Household energy		181.920	180.656	184.895	-5.1	1.6	2.3
Energy services (1)		185.770	183.015	187.310	-3.0	0.8	2.3
Electricity (1)(1)		196.766	193.940	199.940	-3.5	1.6	3.1
Utility (piped) gas service (1)		149.311	146.902	147.273	-1.1	-1.4	0.3
Household furnishings and operations		122.538	122.689	122.032	-2.1	-0.4	-0.5
Apparel		132.911	132.910	129.357	0.4	-2.7	-2.7
Transportation		195.913	199.134	199.495	-3.5	1.8	0.2
Private transportation		186.608	189.500	189.906	-3.9	1.8	0.2
New and used motor vehicles (3)		97.946	98.010	97.405	-1.4	-0.6	-0.6
New vehicles		145.410	145.390	145.220	-0.5	-0.1	-0.1
New cars and trucks (3) (4)		100.740	100.720	100.601	-0.5	-0.1	-0.1
New cars <sup>(4)</sup>		137.174	136.986	136.206	-1.6	-0.7	-0.6
Used cars and trucks		154.668	154.544	153.492	-3.1	-0.8	-0.7
Motor fuel		181.944	194.905	199.089	-14.8	9.4	2.1
Gasoline (all types)		181.275	194.228	198.374	-14.7	9.4	2.1
Gasoline, unleaded regular (4)		178.765	191.798	195.996	-15.5	9.6	2.2
Gasoline, unleaded midgrade (4) (5)		194.214	207.412	211.598	-12.1	9.0	2.0
Gasoline, unleaded premium (4)		191.315	203.184	206.724	-11.0	8.1	1.7
Medical care		482.472	484.043	486.391	4.1	0.8	0.5
Medical care commodities		383.681	386.506	392.462	3.9	2.3	1.5
Medical care services		510.297	511.420	512.509	4.2	0.4	0.2
Professional services		369.611	370.515	371.300	2.4	0.5	0.2
Recreation (3)		121.453	121.149	121.264	-0.3	-0.2	0.1
Education and communication (3)		140.887	140.730	140.844	2.0	0.0	0.1
Other goods and services		459.280	458.073	459.081	1.6	0.0	0.2
Commodity and service group							
Commodities		185.241	185.990	185.727	-2.3	0.3	-0.1
Commodities less food and beverages		148.423	149.887	149.603	-3.9	0.8	-0.2
Nondurables less food and beverages		184.211	187.635	187.694	-4.7	1.9	0.0

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Northeast Region, (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued

				Percent change from			
		Inde	xes				
	Historical	Apr.	May	Jun.	Jun.	Apr.	May
Expenditure category	data	2016	2016	2016	2015	2016	2016
Durables		106.343	106.142	105.620	-2.3	-0.7	-0.5
Services		321.041	321.813	323.018	2.4	0.6	0.4
Special aggregate indexes							
All items less shelter		227.908	228.455	228.676	-0.4	0.3	0.1
All items less medical care		244.247	244.963	245.392	0.5	0.5	0.2
Commodities less food		152.128	153.527	153.235	-3.7	0.7	-0.2
Nondurables		218.360	219.678	219.626	-2.2	0.6	0.0
Nondurables less food		188.127	191.284	191.307	-4.3	1.7	0.0
Services less rent of shelter (2)		321.303	321.504	322.633	1.8	0.4	0.4
Services less medical care services		307.983	308.730	309.940	2.2	0.6	0.4
Energy		182.145	186.534	190.756	-9.7	4.7	2.3
All items less energy		264.208	264.601	264.741	1.6	0.2	0.1
All items less food and energy		267.868	268.516	268.707	1.9	0.3	0.1

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

Note: Index applies to a month as a whole, not to any specific date.

<sup>(2)</sup> Indexes on a December 1982=100 base.

<sup>(3)</sup> Indexes on a December 1997=100 base.

<sup>(4)</sup> Special index based on a substantially smaller sample.

<sup>(5)</sup> Indexes on a December 1993=100 base.